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HOUSE OF REPRESENTATIVES

REPORT
99-569

H.R. 5

PROHIBITING THE PROPOSED SALES OF CERTAIN MISSILES TO SAUDI ARABIA

APRIL 29, 1986.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. FASCELL, from the Committee on Foreign Affairs, submitted the following

REPORT

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together with

DISSENTING VIEWS

(To accompany H.J. Res. 589)

The Committee on Foreign Affairs, to whom was referred the joint resolution (H.J. Res. 589) prohibiting the proposed sales of certain missiles to Saudi Arabia, having considered the same, report favorably thereon without amendment and recommend that the joint resolution do pass.

COMMITTEE COMMENT

On April 8, 1986, the executive branch formally notified the Congress under the requirements of section 36(b) of the Arms Export Control Act that it intends to sell to Saudi Arabia:

995 AIM-9L Sidewinder missiles, and related defense articles and defense services (Transmittal No. 86-29A);

671 AIM-9P4 Sidewinder air-to-air missiles, and related defense articles and defense services (Transmittal No. 86-29B);

200 Stinger air defense guided missile systems, and related defense articles and defense services (Transmittal No. 86-29C);

100 air-launched Harpoon missiles, and related defense articles and defense services (Transmittal No. 86-29D);

Under the requirements of the Arms Export Control Act, the executive branch must notify Congress 30 calendar days before issuing a letter of offer to sell to a foreign country defense articles and services for $50 million or more, design and construction services

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for $200 million or more, or major defense equipment for $14 million or more. Pursuant to section 36(b) of the act, as amended by Public Law 99-247, letters of offer for such major sales shall not be issued if Congress enacts a joint resolution prohibiting the sale during its 30-day review period.

Over the last several months, the committee has also been following carefully U.S. policy on possible arms transfers to states in the Middle East. In July 1985 the executive branch completed a 6-month long Middle East arms transfer study and since then the committee has reviewed in detail the conclusions of that study, the assumptions behind its conclusions and its implications. Several hearings and briefings have been held since last July on several arms sales issues in the Middle East. Hearings were also held after April 8, 1986, when these proposed arms sales to Saudi Arabia were formally presented to the Congress. The Subcommittee on Europe and the Middle East heard testimony from the Department of State and the Department of Defense April 22, 1986 on these proposed sales.

House Joint Resolution 589 disapproving the sale of missiles to Saudi Arabia was introduced by Hon. Mel Levine, of California, on April 9, 1986, and had 22 cosponsors as of April 22. Following its hearing April 22, the Subcommittee on Europe and the Middle East, by voice vote, voted to report the resolution to the full committee favorably.

In considering House Joint Resolution 589, the committee was guided by several considerations. The committee does not believe this sale would further U.S. interests because of Saudi Arabia's lack of support for fundamental U.S. national security interests in the Middle East. The United States has several vital interests in the Middle East in addition to ensuring access to oil and preventing Iranian attempts to export revolution. These interests include broadening the peace process, combatting international terrorism while denying terrorists any base of support, and helping Egypt and Israel to maintain their military and economic security.

In the view of the committee, Saudi Arabia has failed to support the United States in each of these three critical areas. Saudi Arabia will not actively support Egypt because of Egypt's pursuit of peace with Israel. The Saudis have provided financial support to the Palestine Liberation Organization and Syria, which have been involved in international terrorism. According to the State Department, Saudi Arabia provides $85 million annually to the PLO. In addition, Saudi Arabia criticized recent U.S. military actions against Libya, a state which has engaged in a consistent pattern of direct and indirect support for international terrorism.

The committee also questions whether the proposed missile sale will help Saudi Arabia counter the Iranian threat. The war between Iran and Iraq is being waged on the ground between ground troops, and antiaircraft or antiship missiles will not counter that particular threat. Moreover, the committee questions whether the Saudis need more missiles, in addition to those already in their possession, to maintain their defense capabilities. Finally, the committee questions the inclusion of Stinger missiles in this proposed package because of their possible diversion to unfriendly groups.

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Given these factors, the committee, on April 23 approved House Joint Resolution 589 by voice vote, a quorum being present.

REQUIRED REPORTS SECTION

COST ESTIMATE

The resolution would not involve any additional direct cost to the U.S. Government.

INFLATIONARY IMPACT STATEMENT

Enactment of this resolution will have no impact on inflationary forces.

STATEMENTS REQUIRED BY CLAUSE 2(l)(3) OF HOUSE RULE XI

(a) Oversight findings and recommentations

In addition to the hearings cited above, Members of the Congress and congressional staff have participated in numerous briefings and other discussions dealing with this sale and other issues relating to the Middle East. As a result of these oversight activities, the committee recommends that House Joint Resolution 589 be approved.

(b) Budget Act

The enactment of House Joint Resolution 589 will create no new budget credit or spending authority.

(c) Committee on Government Operations/Summary

No oversight findings and recommendations which relate to this measure have been received by the Committee on Government Operations under clause 4(c)(2) of rule X of the Rules of the House.

(d) Congressional Budget Office cost estimate

No cost estimate concerning this measure has been received from the Congressional Budget Office.

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DISSENTING VIEWS OF HON. LEE H. HAMILTON, HON. GERRY E. STUDDS, HON. BUDDY MacKAY, HON. HENRY J. HYDE, AND HON. GERALD B.H. SOLOMON

We support the sale of these missiles to Saudi Arabia because this sale serves United States national interests, will not adversely impact on the arms balance in the Middle East and sends an important signal of reassurance to friends throughout the strategically important Persian Gulf during a tense period of time when conflicts in the region abound and extremism and terrorism threaten voices of moderation and Western interests.

This sale must be seen in the context of a recent series of events taking place in the Middle East which have eroded the U.S. position in the Arab world, and made some Arab friends have real doubts about U.S. reliability. The stalemate in peace efforts, the series of terrorist actions and the subsequent reprisals, many of which we can justify, have had a cumulative negative impact on U.S. interests with many important Arab countries. Denial of these sales will lead to further erosion of U.S. influence in the area, and unfortunately further call into question the United States' reliability and credibility.

The United States has had an important 30-year special relationship with Saudi Arabia. This security tie is based on the importance and the vulnerability of Saudi Arabia, the Gulf and their oil assets to external threats. These assets have been available to the West and it is important that they remain available and not become subject to Iranian or Soviet threats. It is in our national interest to respond to this longstanding Saudi arms request and to demonstrate continued U.S. reliability as a security partner for Saudi Arabia and other friends in the Persian Gulf.

The military reasons for not disapproving this sale are clear. This limited number of defensive air-to-air, ground-to-air and air-to-sea missiles represents a scaled back sale to the Saudis: conspicuously from this package are further advanced sophisticated weapons, F-15 aircraft and enhancement packages for previously sold F-15 aircraft, all items which the Saudis desire. These missiles will augment or upgrade missiles already in the Saudi inventory, meet specific Saudi defense needs, help prepare for the collective defense of the Gulf region against Iranian or Soviet attack, and reduce the likelihood that the United States would have to intervene in support of vital U.S. interests. Without this sale, Saudi missile stocks would be deficient by 50 percent in 1991 because of missile attrition due to obsolcsence, training and normal stock in repair.

It should be noted that it is the judgment of most defense analysts, American or Israeli, governmental or non-governmental, that this missile sale will not affect adversely the balance of military power in the Middle East. Israel enjoys today a growing military qualitative edge in the region, according to U.S. defense experts,

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and it is not actively opposing this sale. Not only does this sale not represent a threat to Israel, but it is clear that Iran, which threatens Saudi Arabia in the Persian Gulf, represents a greater threat to Israel than does Saudi Arabia.

The political reasons for not disapproving this sale are equally strong. Saudi Arabia is a pro-Western, anti-Communist country. This sale can help assure that Saudi Arabia can protect its own security, contain threats from the Iran-Iraq war and Iranian extremism, guard against Soviet inroads and help maintain international access to oil in a region which contains some 60 percent of the world's proven oil reserves.

Passage of this resolution would undercut the U.S. ability to maintain a role as an honest broker in the Middle East, and undercut efforts to restart the peace process. It would play into the hands of those radicals who seek to foment anti-Americanism and portray the United States as anti-Arab and a co-belligerent in regional conflicts. This resolution disapproving this sale gives solace to U.S. opponents in the Middle East—to those in Lebanon who seek to eliminate U.S. influence and presence; to those ruling Iran who have a visceral hatred of the United States; to those in Syria who seek to undermine U.S. policy; and to those in Libya who consistently support international terrorism.

We all are disappointed that Saudi Arabia is often not as supportive of U.S. policies or as helpful as we would like it to be. However, we cannot compare our policy differences with Saudi Arabia or Jordan or Egypt with those fundamental differences we have with the radicals in the region. Saudi Arabia is a moderate state in an area often prone to extremism. It is important to us and it is pro-Western and stauchly anti-Communist. It is in Israel's interest as well as our own, as Israel's staunchest ally, to maintain our credibility and reliability with states like Saudi Arabia and Jordan. Denying this sale would be conterproductive to that goal and would further erode our position in the Middle East. It is especially important now in the absense of any viable peace process that the United States maintain a strong position with our moderate friends in the Arab world and not permit further drift and deterioration in this volatile region.

We also believe that this sale should not be disapproved given the current situation in the Persian Gulf and Arabian Peninsula. Iran has recently established a beachhead in Iraq near the Kuwait border. The entire population of the Gulf is seeking reassurance for its security. U.S. willingness to support Saudi self-defense has served as a deterrant to Iran. We need to show that willingness today to our friends throughout the Gulf region. And at the other corner of the Peninsula, South Yemen has recently experienced a coup and the situation is unstable, exacerbated by Soviet interference. This raises the potential of a renewed threat on Saudi Arabia's southern border. We cannot give South Yemen any encouragement. This resolution, if passed, would.

Finally, it is a simple fact that if we do not sell these arms, others will. Because the United States decided recently to defer any decision on further aircraft sales to Saudi Arabia, the Saudis decided to buy British aircraft and the State Department estimates that the United States will lose at least $12 billion in business over

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the next twenty years. More important than the commercial factor, we believe it is in our national interest and in the interest of our friends in the area, including Israel, for the United States to maintain its defense relationship with Saudi Arabia. That relationship represents both influence and leverage. We cannot let it erode without hurting ourselves and our friends and allies throughout the region.

We believe that in the overall political and strategic context of the region, one must conclude that this sale is in the United States national interest. We hope our colleagues agree and will vote against House Joint Resolution 589.

LEE H. HAMILTON.
GERRY E. STUDDS.
BUDDY MACKAY.
HENRY J. HYDE.
GERALD B.H. SOLOMON.

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